



International Conveyors Limited

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ICL/DS/2020-21/239

August 10, 2020

Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata-700001
Fax No. 22104500
Kind Attn: The Secretary
Scrip Code No. 10019039 (CSE)

Bombay Stock Exchange Limited
P.J. Towers, Dalal Street
Mumbai-400001
Fax no. 22722037/22723121
Kind Attn. –The General Manager
Department of Corporate Services
Scrip Code No.- 509709 (BSE)

Sub- Disclosure regarding impact of COVID-19 pandemic on the Company's operations

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020

Respected Sir/Madam,

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 please find enclosed herewith disclosure on impact of COVID-19 on the Company's operations under Regulation 30 of SEBI (LODR) Regulations, 2015.

You are requested to take the same on record.

Thanking you

Yours faithfully
For **International Conveyors Limited**

Dipti Sharma
Dipti Sharma

Company Secretary & Compliance Officer

Encl.: As above



Registered Office & Works I :
Falta SEZ, Sector - II, Near Pump House No. 3
Village & Mouza - Akalmegh
Dist. South 24 Parganas, West Bengal-743 504

Works II :
E-39, M.I.D.C. Area, Chikalthana
Aurangabad - 431 006
Maharashtra

DISCLOSURE OF MATERIAL IMPACT OF COVID 19 PANDEMIC

The Government of India announced nation-wide lockdown on 24th March, 2020 to contain the outbreak of COVID-19. Following Government guidelines, the Company closed its corporate / regional offices, allowed work from home to all its employees and closed its factories. The immediate impact on the business due to closure of factories and offices coupled with transportation issues resulted in muted sales in the last week of March 2020. The Company was affected by national lockdown in number of ways but it has taken a number of steps to recover from the same.

Impact of COVID 19 on Business:

The disaster caused by the spread of Corona virus has affected the entire world. The adverse impact on the businesses and economies across the globe is unparalleled. The Company has lost orders worth Rs. 25 crores from Canada as the production was interrupted by nationwide lockdown. However, during all lockdowns since March, 2020 as announced by the Central & State Governments to curb the rapid spread of the Virus, International Conveyors Limited has shown efficient adaptation and effective measures to minimise the impact of this unforeseen business disruption. The management ensured smooth functioning of all critical business activities during last few months.

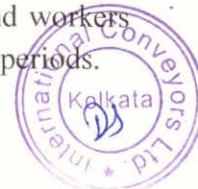
Initiatives undertaken during lockdown period:

The production was suspended and Factories situated at Aurangabad, Maharashtra and Falta SEZ, Kolkata were closed from 24th March, 2020 onwards. Corporate office was also closed and employees were allowed to work from home. In compliance with Government's direction to prevent the spread of Corona virus (COVID 19) and to ensure the health and safety of employees, associates and other stakeholders, the Company has started the system of work from home for employees during lockdown. IT security was enhanced and capacity of IT systems increased. Employees working from home were provided with laptops and internet connections. The employees of Company's corporate office are still working from home in two days in a week as Government of West Bengal has announced two days of complete lockdown in every week for the month of August.

Estimation of the future impact of COVID -19 on its operations:

The global and domestic demand for PVC Conveyor Belts has been impacted due to COVID-19 at customer end at a lower-pace than anticipated. However, these are early days and it would be presumptuous to predict full impact of Covid-19 on the business and performance.

The Company has resumed its operations at its Aurangabad site from 11th April, 2020 with 20% manpower as per permission from local authorities ensuring strict compliance to the guidelines issued by Central Government. During lockdown period production loss was approx. 25 Km and due to production loss Company has lost revenue of Rs. 5 Crores approx. However, from 1st June, 2020 the Company has started its production at full capacity in its factory at Aurangabad. However, partial lockdown is still there in Aurangabad and workers are staying back in the factory and employees are working from home in lockdown periods.



Impact on Capital and Financial Resources

As per the current assessment, there is no significant impact on Company's capital and financial resources. All the fixed and current assets of the Company are safe. All the employees at all levels are still associated with the Company, as the Company didn't lay-off any of its employees even in this tough time. The company is exploring the various options to strengthen the capital base growth opportunities and to face COVID-19 led contingencies and events.

Profitability:

Our sales and profitability for the last quarter of F.Y. 2019-20 were negatively affected by the lockdown. Nationwide lockdown announced by Government of India resulted in lower than budgeted sales for the month of March and the Company could not achieve the estimated level of profit in Q4 of F.Y. 2019-20.

Existing contracts/agreements and non-fulfilment of the obligation, if any:

The Company at present continues to fulfil its obligations with respect to all the existing contracts and agreement. Orders worth Rs. 25 crores received from Canada could not be completed and lost by the Company due to nationwide lockdown. Apart from that the Company does not foresee any material impact on account of non-fulfilment of obligation by any party in existing contracts/agreements.

Capital and liquidity

There has been no material change in the Company's liquidity due to COVID 19. The customers continue to pay within normal credit terms and the Company remains committed to paying its suppliers on time. There has not been any loss of Capital and financial resources of the Company.

Internal Financial Reporting and Control

There is no impact on internal financial controls due to COVID-19.

Annual Financial Results

The Company's financial results for the quarter and year ended March 31, 2020 published on July 13, 2020 were not materially affected by the lockdown except loss of production, sales and profit as stated above in this report.

Demand for its products/service:

Demand for the Company's product is good and vibrant in the International Market.

Other relevant material updates about listed entity's business

There is no other material information at this stage.

